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C O N F I D E N T I A L ACCRA 000570

SIPDIS

TREASURY FOR ALEX SEVERENS, LUKAS KOHLER
PASS TO MILLENNIUM CHALLENGE CORP WASHDC

E.O. 12958: DECL: 03/21/2010

TAGS: [EFIN](#) [ENRG](#) [ETRD](#) [KMCA](#) [GH](#) [MCA](#)

SUBJECT: GHANA'S PRESIDENCY RESPONDS TO EMBASSY LOBBYING ON
MCA PROCESS

REF: A. ACCRA 519

[B](#). ACCRA 505

[C](#). ACCRA 504

Classified By: EconChief Chris Landberg for Reasons 1.5 (B and D)

[1](#). (C) Summary: Senior GoG advisors to President Kufuor told Emboffs of steps they are taking to accelerate Ghana's Millennium Challenge Account (MCA) process. They have instructed the Finance Ministry to expedite the financing and full-time staffing of a permanent Ghanaian MCA team, with the goal of signing an agreement with the Millennium Challenge Corporation (MCC) by October/November 2005. End Summary.

[2](#). (C) EconChief and PolChief met March 17 with GoG Chief of Staff Kwadwo Mpiani and Secretary to the President D.K. Osei to follow-up on issues raised during the Ambassador's two meetings with President Kufuor on March 9 (see reftels). Septels report on discussions regarding trafficking in persons legislation and civil aviation safety issues.

[3](#). (C) During the Ambassador's second meeting on March 9 with President Kufuor (Ref A), the Ambassador strongly urged the President to engage more in Ghana's effort to develop a proposal for funding under the MCA. She warned that five countries were already in negotiations with the MCC, and others were at least at Ghana's stage of compact development. While the President agreed on the need for urgency in Ghana's MCA preparations, it was unclear whether or how he intended to act on the Ambassador's warning.

[4](#). (C) On March 17, EconChief reiterated the Ambassador's points first with Mpiani and later with D.K. Osei, underlining that further delays would likely result in Ghana's falling farther behind the other eligible countries. EconChief pointed out that MCA funding was not assured, and the limited MCC staff would naturally be most responsive to the countries that show the strongest commitment in return. Mpiani welcomed these comments and responded that the GoG had every intention to ensure adequate funding and staffing to enable Ghana's MCA Core Team to complete a deal with the MCC by October/November 2005.

[5](#). (C) Mpiani pointed out that the GoG had budgeted USD 500,000 for the MCA team, and this money would be available soon (Parliament approved the budget this week). He said he expects consultant Michael Ansah (who has led the working-level planning) to move from London to Ghana after Easter to work full-time on Ghana's MCA compact. He added that the Presidency instructed the Finance Ministry that staff, including MCA coordinator Joseph Chognuru, who was present in the meeting, drop other duties and concentrate virtually full-time on MCA. Finally, he is trying to obtain authorization for the MCA team to bypass the normal, lengthy procurement process, to allow it to expedite the contracting of consultants for MCA-related studies.

[6](#). (C) D.K. Osei was even more energized about moving Ghana's MCA process forward. He said President Kufuor left the meeting with the Ambassador motivated to accelerate MCA planning, and called around for status reports from his direct staff and the Finance Ministry. During Econ and Pol Chiefs' meeting Osei called the Deputy Minister of Finance (his brother, Anthony Osei) and instructed the Finance Ministry to report on progress at the next Cabinet meeting in early April. He also tasked Finance to explore whether they could release the budgeted funds immediately and get Ansah and other staff on board permanently ASAP. Osei, who controls access to the President, urged Emboffs to call him at any time for help in resolving problems related to the MCA process.

[7](#). (C) Comment: The President and his staff are clearly more aware that they need to monitor Ghana's MCA preparations closely. While we have some doubts about Mpiani's effectiveness, he appeared well informed on this issue and also seemed prepared to play a constructive role in keeping Ghana on track. D.K. Osei is one of the President's closest advisors and had not previously been engaged in the MCA

process, so Post will keep him informed on progress to make
sure the President is more engaged in the future. End
Comment.

YATES